

Slides were created using Sep 2022 financial reports

PCVA 2022 Financials & 2023 Proposed Budget

PCVA HOA Annual Meeting

Nov 2022

Overview

- 2022 Financial Status
- 2023 Proposed Budget
- Delinquent Accounts 2019-2022 Comparison

2022 Financial Status

- PCVA Master Financial Status is good
 - Collected \$1,627,664
 - Projected Spending \$ 1,612,876*
- Transferred \$373,500 into Reserves
 - Spent \$302,300 on stucco walls/metal fences
 - Spent \$30,800 on Hydropoint Controllers
 - Increased Reserves by \$40,400

*estimate from early Nov but using Sep actuals

PCVA Master Financials

As of: September 30, 2022

Assets	Liabilities and Capital
Current Assets	Liabilities
Cash – Operating Fund: \$248,458	Operating Liability: \$121,432
	Reserve Liability: \$18,132
Cash – Reserve Fund: \$544,360	Total Liability: \$139,564
	Equity
TOTAL ASSETS \$792,818	Operating Equity: \$127,026
	Reserve Equity: \$526,228
	Total Equity: \$653,254
	Total Liabilities & Equity \$792,818

2022 PCVA Master Budget Expenses

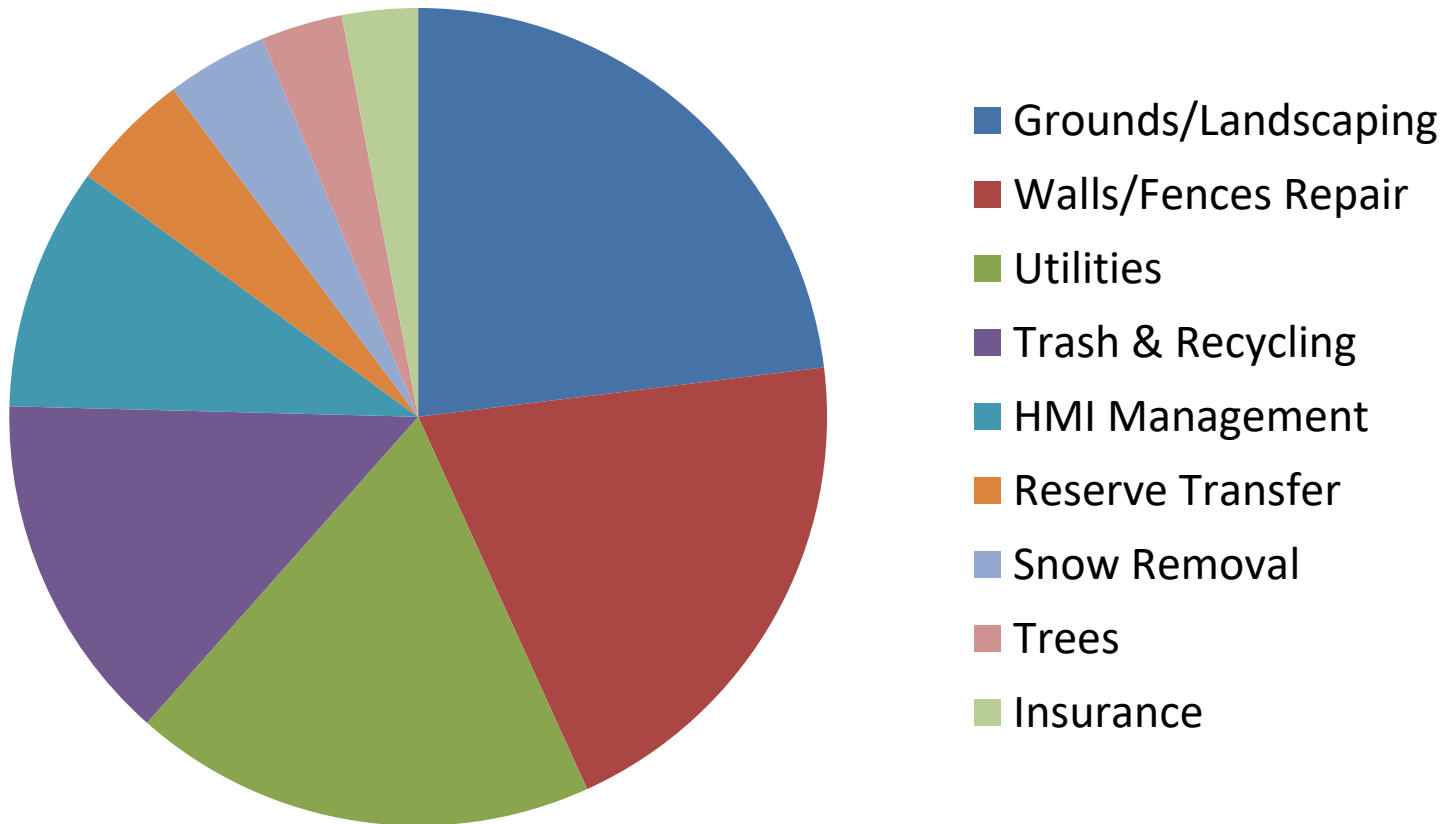
Total Income: \$1,627,664

Areas we spent money on...

- Administrative (HMI contract, admin fees, postage, etc)
- Grounds Maint/Repair (Metco and BrightView contracts, sprinkler repairs, etc)
- Tree Contract (Tall Timbers contract, pruning, removal, replacement, fertilization)
- Utilities (electricity, water, storm water)
- Wall/Fence repair and maintenance (stucco walls and metal fence repair and painting)
- Trash and Recycling Removal
- Legal/Attorney support
- Audit and Tax preparation
- Insurance
- Pest Control
- Snow Removal
- Socials (summer picnic, garage sales, holiday party)
- Reserve Study
- Reserve addition for future expenses
- And more...

Where did we budget our money?

PCVA Planned Expenses 2022



2022 PCVA Spending details

- Landscaping challenge
 - Metco stopped operations unexpectedly on 28 July
 - Hired Brightview to perform limited routine maintenance
 - Contract signed by 10 Aug – but cost \$46,000 beyond planned budget for 5 months of lesser service
 - Also hired Monarch to accomplish some on-going projects
- Colorado State passed multiple new laws regarding HOAs
 - Required paying attorney to interpret laws and draft new policies/procedures – extra cost
 - New laws increase expenses for HOAs
 - All covenant violations must be sent certified mail w/ return receipt (\$7.47, with price increase in 2023)
 - Additional administrative costs for extra paperwork for Management company
 - Must send small balance letters to all homeowners monthly
- Reserve Study added unexpectedly due to inflation concerns
 - Spent \$4,500 not budgeted
- Stucco Walls/Steel Fence contract
 - Came in over \$67,000 more than budgeted due to larger square footage and higher prices
 - Reserve funds pay for this, but less reserve fund contribution this year than planned
- Hydropoint Controllers
 - Investment for next year to upgrade and install - \$30,800 out of Reserves

So where did we save?

- Limited snow this past winter
 - Still have over \$31,000 in this budget (knock on wood)
- Had fewer tree projects in common areas – spent \$10,000 less than budgeted
- No mulching done – didn't spend \$21,000
 - Mulching shortage
- Surprisingly, spent less on water this year due to wet summer
 - Projected savings \$25,000 as of 1 Oct

Plans for PCVA in 2023

- Add second person to HMI Management Team dedicated to PCVA
- Continue 7-year cycle of fixing and painting stucco walls and steel fences
- WeatherTrack system install
 - Anticipate helping with sprinkler/watering issues and costs
- Continue to do common area grounds improvements
- Get arms around violation rules and understanding cost impacts

2023 Main Cost Increases*

Expense	2022 Budget	2023 Budget	Increase	Reason for increase
Landscape contract	\$233,532	\$305,000	\$71,468	Labor and materials increase
HMI contract	\$120,359	\$183,409	\$63,050	Adding an assistant
Reserve contribution	\$373,528	\$393,410	\$19,882	Recommended by Reserve Study
Trash/Recycling contract	\$208,156	\$222,000	\$13,844	5-yr contract yearly increase
Admin expense	\$17,000	\$25,000	\$8,000	New laws
Insurance	\$45,000	\$50,000	\$5,000	New contract

*Not a complete list, there are more...

Historical Reserve Data

Year	Balance on 1 Jan	Biggest Expense* *other expenses too	Balance on 31 Dec	Variance
2018	\$724K	Park conversion	\$455K	- \$269K
2019	\$455K	Stucco wall painting	\$496K	\$41K
2020	\$496K	Sidewalk repairs & wooden fence repair	\$463K	-\$33K
2021	\$463K	Stucco wall & metal fence repair/painting	\$396K	-\$67K
2022	\$396K	Stucco wall & metal fence repair/painting	\$436K	\$40K
2023	\$436K	Stucco wall & metal fence repair/painting	\$579K**	\$143K**

**anticipated

- 2022 Reserve Study recommended increasing Reserve contribution by \$20,000 this year, and then 3% increase each year thereafter
- Only certain expenses can be paid out of Reserve funds

2023 PCVA Recommended Assessment Fees

Effective: Jan 1, 2023

- **PCVA Master Assessment: \$99.00/mo** (increase of \$11/mo)
- Neighborhood Assessments:
 - **The Carriages – \$207/mo** (increase of \$20/mo)
 - **La Bellezza - \$300/mo** (increase of \$101/mo)
 - **Reverie – \$213/mo** (increase of \$1/mo)
 - **Sage Hill Greens – \$204/mo** (increase of \$3/mo)
 - **Wildflower – \$142/mo** (no increase)
- **REMINDER:** Assessments are due **1st of month**
- With the monthly increase for everyone, homeowners will need to **login to their homeowner portal or contact their bank to adjust their auto-payments or bill-pay**

Delinquent Accounts

	2/28/2021	6/30/2022	8/31/2022	9/30/2022
Total Delinquent	\$24,329	\$10,570	\$9,776	\$8,834
% of Assessments Delinquent	2%	.75%	.75%	Less than .75%
Commercial Delinquent	\$4,007	\$0	\$0	\$0
Homeowners Delinquent	\$13,993	\$10,570	\$9,776	\$8,834
Accounts Delinquent	80	44	43	49
% of Accounts Delinquent	6%	3%	3%	3%
Accounts at Attorney	3	2	2	2

Thank you.

Questions?